

109TH CONGRESS
1ST SESSION

H. R. 350

To amend the Internal Revenue Code of 1986 to allow certain individuals who have attained age 50 and who are unemployed to receive distributions from qualified retirement plans without incurring a 10 percent additional tax.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 2005

Mr. PLATTS introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow certain individuals who have attained age 50 and who are unemployed to receive distributions from qualified retirement plans without incurring a 10 percent additional tax.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. NO ADDITIONAL TAX ON DISTRIBUTIONS FROM**
2 **QUALIFIED RETIREMENT PLANS TO CERTAIN**
3 **INDIVIDUALS WHO HAVE ATTAINED AGE 50**
4 **AND WHO ARE UNEMPLOYED.**

5 (a) IN GENERAL.—Paragraph (2) of section 72(t) of
6 the Internal Revenue Code of 1986 (relating to subsection
7 not to apply to certain distributions) is amended by adding
8 at the end the following new subparagraph:

9 “(G) DISTRIBUTIONS TO CERTAIN INDIVID-
10 UALS WHO HAVE ATTAINED AGE 50 AND WHO
11 ARE UNEMPLOYED.—

12 “(i) IN GENERAL.—Distributions to
13 an individual after separation from em-
14 ployment if—

15 “(I) as of the date of such dis-
16 tribution, such individual has attained
17 age 50,

18 “(II) such individual has received
19 unemployment compensation for 12
20 consecutive weeks under any Federal
21 or State unemployment compensation
22 law by reason of such separation, and

23 “(III) such distribution is made
24 during any taxable year during which
25 such unemployment compensation is
26 paid or any succeeding taxable year.

1 “(ii) REEMPLOYMENT AND SELF-EM-
2 PLOYMENT.—Rules similar to the rules of
3 clauses (ii) and (iii) of subparagraph (D)
4 shall apply for purposes of this subpara-
5 graph.”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 subsection (a) shall apply to distributions made after De-
8 cember 31, 2004.

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